



SCOTTSDALE HOUSING BOARD
One Civic Center 3rd Floor Conference Room
7447 E. Indian School Road, Scottsdale AZ 85251
January 13, 2004

MINUTES

PRESENT: Barbara Williams, Chair
Robert Southworth, Vice Chair
Del Monte Edwards
Tamela Nagy
Joseph Priniski

ABSENT: Jeffrey Burg

STAFF: Molly Edwards, Staff Liaison
Sharon Light-Stephenson, Human Services Coordinator
Mark Bethel, Community Assistance Manager
Paul Ludwick
Diane Kallal

OTHERS PRESENT FOR ALL OR PORTIONS OF THE MEETING:

Judy Register, General Manager Citizen Neighborhood Resources
Beverly Johnson

CALL TO ORDER

Chair Williams called the regular meeting of the Scottsdale Housing Board to order at 5:00 p.m.

APPROVAL OF MINUTES

Board member Priniski made a motion to approve the minutes of the December 16, 2003 meeting as presented. The motion was seconded by Board member Southworth and passed unanimously.

HOHOKAM AREA REVITALIZATION PLAN UPDATE

Judy Register, General Manager for Citizen and Neighborhood Resources, provided a brief update about the status of the Residential Revitalization Team and their efforts. She reported months ago they started looking at ways of helping neighborhoods south of Chaparral and do abbreviated neighborhood planning process to get a sense from the neighbors as to what they feel the issues are facing their neighborhoods. She noted that included in the Board's packet is an overview of how the process was started. She further noted that they decided to take bite sized pieces being quarter sections of the city and they arbitrarily chose the Hohokam neighborhood after conducting neighborhood health and safety surveys. She commented they have received quite a bit of information from the neighbors in that area. She further commented that there is a lot of information in the Board's packet and they have a full agenda so she would be happy to come back in February with follow up information after they have read the information.

Chair Williams inquired if while they are doing this if they are noting what the percentage of rental is in that area. Ms. Register replied that would be included in the report from the housing consultant. She noted that the report would be significant for the residential revitalization team as well.

Board member Edwards stated it is noted that the meeting participation has been minimal. Ms. Register replied in the affirmative. She stated they have sent out electronic post cards and they have had it in the newspaper. Telephone calls were also made to residents who attended the first meeting. She further stated she felt that some of the reasons are because the area is 40 percent rental and lots of families with young children who don't have time in the evenings.

Chair Williams inquired if they have cross-matched this area with the census. Ms. Register replied it is highly Hispanic and non-English speaking so the information went out in Spanish. She noted that they need to start educating people on the responsibilities they have as renters as well as homeowners for property maintenance.

Chair Williams stated they had a similar problem in Phoenix and they found it worked if they went through the schools. Ms. Register replied they held all of the meetings at Hohokam Elementary School and the Principal was supportive of the events.

CITY OF SCOTTSDALE FAMILY SELF-SUFFICIENCY (FSS) PROGRAM

Sharon Light-Stephenson, Human Services Coordinator, provided an update of the FSS Program and the status of participants. She reported FSS is a component of the Housing Choice Voucher Program that encourages communities to develop local strategies to help assisted families obtain employment that will lead to economic independence and self-sufficiency.

Ms. Light-Stephenson provided information on the FSS Action Plan. She discussed the goal and services of the FSS program. She reviewed the statistics on the FSS current participants. She reported they had 24 graduates and four people have used their escrow for down payments on homes.

Chair Williams inquired if any of the four graduates whom purchased a home if the home was in Scottsdale. She also inquired if there are any requirements. Ms. Light-Stephenson replied that there are not any requirements. She noted that they can go to CSA for the first time homeowner down payment assistance in Scottsdale. If they receive assistance then they would have to buy in Scottsdale. She reported that three of the four received money from CSA and purchased in Scottsdale.

Chair Williams stated there are other programs that East Valley cities are using that are similar to this and some banks provide matches. Mr. Bethel stated at the County or State level funds are managed through the banks and that is a matter of referral. Ms. Light-Stephenson stated in order to receive IDA funds they must work with non-profits, which is different than this. Mr. Bethel stated that staff could double check on the procedures for apply for those funds.

REVIEW OF CDBG/HOME HOUSING APPLICATIONS

Mark Bethel, Community Assistance Manager, reviewed the recommendation process and funding allocations for this fiscal year 2004/2005. He reported the Housing Board would be reviewing the housing activities. The Board's recommendation will then be presented to the Human Services Commission. The Human Services Commission will consider the Housing Board's recommendation when they make their formal recommendation at their March 11th Meeting. He further reported the Human Services Commission Chairman Diane Fausel appointed Commissioner John Bitenc to sit in the discussion of the housing activity proposals.

Mr. Bethel reviewed the total funding allocation to the City of Scottsdale for fiscal year 2004/2005. He also reviewed the funding requests. He noted that the City of Scottsdale has general funds in the amount \$200,000 that has been appropriated by the City Council for affordable housing activities. He provided an overview on decisions that are being made on the budget. He further noted the final budget would be approved by City Council.

Chair Williams inquired if they were reprogramming any of the program dollars. Mr. Bethel stated that \$1,556 has been reprogrammed from prior CDBG awarded activities that have completed their activities but did not fully expend their allocation.

Chair Williams noted that it indicates that 20 percent of the CDBG current year allocation is for administrative. Mr. Bethel replied it pays for building rent, office supplies, staff training and the salaries of staff. He discussed how the administrative portion is accounted for separately noting that each year a percentage of the hours for each staff member dedicated to the CDBG program.

Board member Edwards inquired if the funds that were not used could be taken back. Mr. Bethel replied that is a concern so it is important to put them in the allocation process now.

Diane Kallal, Senior Grants Program Specialist, presented binders containing all housing related applications to Housing Board members. She reviewed the proposal process. She present an overview of the proposals and the dates and times of public presentations in addition to reviewing the blue evaluation sheets which discuss the eligibility of the activity and any staff concerns or comments.

Ms. Kallal stated there are eight applicants and in the past, they have allowed each applicant ten minutes to give their presentation and allowed unlimited time for questions and answers. She reviewed the calendar for the funding allocation meetings. She reported it is extremely important that they have a quorum at these meetings because of the tight timeline.

Chair Williams stated the Board never received an end of the year report for the City Rehab Program. Ms. Edwards stated they are currently working on a better reporting system and they would be putting information together for that program on a quarterly basis.

Mr. Bethel provided a brief overview on the projects completed and projects pending for the rehab program.

Board member Priniski requested that they report by location. Ms. Edwards stated the database would track that information. Chair Williams stated it would be nice to have a map. Ms. Edwards stated staff would include that.

Mr. Bethel reported that they are starting to receive payments on the deferred loans so those funds would be put back into the allocation system for rehab program use.

Chair Williams passed out a memorandum on the progress of the City of Scottsdale's Housing Rehabilitation Program for the Fiscal Year 2003/2004 (July 1, 2003 to June 30, 2004).

Mr. Bethel noted that it is important to give equal treatment to all proposals.

Chair Williams inquired if there was a waiting list for the Emergency Repair Program. Mr. Bethel replied that it is an emergency program and should not have a waiting list. He noted that they have had to refine the program and define what is considered an emergency.

Board member Edwards inquired about the cause for the request for increased funds for the FSL Home Repair funds. Ms. Kallal replied the current year's contract is to complete 6 rehab while this request is to complete 10 rehabs.

Chair Williams stated going back to the City's rehab program how much staff time is spent working on this program. She requested information on how the they budget staff time and what are the percentages. Mr. Bethel provided information on how the staff time is budgeted. Chair Williams stated the additional duties should be included in the information.

Chair Williams stated regarding the Community Services of Arizona first time homebuyers program, if there are not any houses to buy if this program is ineffective. Mr. Bethel stated that past performance by the agency relative to this activity has been effective and that the number of 1st Time Homebuyer closings proposed was the actual number of closing completed by the agency. Mr. Bethel noted that additional questions by the Board could be addressed at the presentation.

Chair Williams stated she would like to disclose for the record that she ran into Arron Kuhl at a meeting. She further stated that he inquired if he should apply for some of the City funds, and she replied that he was certainly welcome to but, advised him it would probably help if he find a non-profit to work with. Mr. Bethel stated that was an appropriate conversation but that it would not be appropriate for any of the Board members to have discussions related to the proposals now because they are in the middle of a procurement process.

Chair Williams commented that she would like to see some of these programs leveraging their funds with other sources of funding.

PUBLIC HEARING: Annual Update of Housing Choice Voucher (Section 8) Agency Plan

Mr. Bethel reported the Quality Housing and Work Responsibility Act of 1998 established new requirements for Five-Year and Annual Plans for Housing Plans for Housing Authorities and cities that participate in the Housing Choice Voucher rental assistance program. Three clients of the city's Housing Choice Voucher Program currently serve on the Resident Advisory Board and assist with the preparation of this year's annual update to the Agency Plan.

Mr. Bethel stated the Section 8 Agency Plan is a comprehensive guide to public housing agency policies, programs operations, and strategies for meeting local housing needs and goals. There are two parts to the Plan: the 5 Year Plan, which each Housing Agency submits to HUD once every 5 years, and the Annual Plan, which is submitted to HUD every year.

Mr. Bethel stated Section 511 of the Quality Housing and Work Responsibility Act (QHWRA) of 1998 created the public housing agency 5 Year and Annual Plan requirement. Any local, regional or State agency that receives funds to operate Federal public housing or Section 8 tenant-based programs must submit an Agency Plan. With the creation of the Agency Plan requirement, the law specified both the type of information that should be included in the plan and the steps an Agency must go through to obtain resident and public involvement in the plan. HUD provided a template for the Annual Plan to ensure that the Housing Agencies comply with QHWRA.

Mr. Bethel reported the Scottsdale Housing Agency's Annual Plan for Fiscal Year 2004 will be submitted on the template to fulfill the regulatory requirement for submission in a manner consistent with the City's adopted Affordable Housing Strategy. Key issues identified in the plan include

- The opting-out of a property that have had long term assistance through their HUD assisted mortgage: Casa de Amigos (35 units)
- The application for new Fair Share allocations when HUD makes them available
- The capacity of current staff to serve additional clients
- Resident Advisory Board's participation in updating the Plan; and
- Implementation Voucher Home Ownership Program

Mr. Bethel reported the Agency Plan would go to City Council on March 15, 2004.

Mr. Ludwick provided an overview of the Home Ownership Assistance Program (HOPA). He reported this program is a resource for ownership and is available to eligible participants in the City of Scottsdale Section 8 Housing Choice Voucher Program. He further reported on the benefits of the program. He reviewed the eligibility and participant requirements. He also discussed the expectations of the program.

Board member Edwards inquired if there was a situation where the entire housing note could be paid. Mr. Ludwick replied in the case of a person with a low-income with disabilities and a dependent would be eligible for other kinds of assistance programs.

Chair Williams inquired if there are any other down payment assistance programs available such as tax credit on the loan. Mr. Ludwick replied in the affirmative. He stated they would work to see if they could combine those programs.

Chair Williams stated that it is her personal feeling that as the Board starts to embrace new programs they should be confident that they would work noting that down payment assistance is critical. Mr. Bethel stated that could be addressed in the bid.

Mr. Bethel requested the Board to recommend that the City Council adopt and submit the plan to HUD for the fiscal year beginning July 1, 2004.

Board member Nagy moved to recommend that the City Council adopt and submit the plan to HUD for the fiscal year beginning July 1, 2004. Second by Board member Edwards and passed unanimously.

STAFF REPORT

Mr. Bethel stated the Scottsdale Housing Agency final Section 8 Management Assessment Program (SEMAP) score for fiscal year end June 30, 2003 is 104%. He further stated as of January 2004, Scottsdale Housing Agency's Utilization Rate is 97.8%.

Mr. Bethel reported the Scottsdale Housing Agency accepted applications for the Section 8 Housing Choice Voucher Program for one day, November 12th from 8am to 2pm. A total of 561 individuals and families applied for the wait list.

ADDITIONAL MEETING IN JANUARY

Chair Williams stated Rick Brammer and Rich Crystal has requested an additional meeting in January to go over the Housing Data and status of information. She further stated they are recommending that meeting be held on January 27, 2004.

Ms. Edwards commented that it is important for the Housing Board to hear this information and provide feedback.

Chair Williams suggested after the report from the Consultant they should discuss their goals noting that they have spend a lot of time of presentations and drifted away from where they are with their objectives. Ms. Edwards stated when the Board developed their Strategic Plan they created an educational piece and requested regular updates about things going on in the City that are connected to their efforts.

Chair Williams commented on the fact that role of the Board seems to have changed and it would be beneficial to include Judy Register, Ed Gawf and Raun Keagy at the January 27th meeting.

CHAIR'S REPORT

Chair Williams reported a regional faith based initiative meeting will be held on February 14, 2004. She suggested that next year maybe they could coordinate with them to include

a housing component. She further reported that on January 21st there is a Homes for Arizona Day at the Capitol. She suggested they might want to have a booth at the event.

OPEN CALL TO THE PUBLIC (A.R.S. 38-431.02)

No members of the public were present.

ADJOURNMENT

With no further business to discuss, the regular meeting of the Scottsdale Housing Board was adjourned at 7:50 p.m.

Respectfully Submitted,

"For the Record" Court Reporters